

105TH CONGRESS
2D SESSION

H. R. 4567

To amend title XVIII of the Social Security Act to make revisions in the per beneficiary and per visit payment limits on payment for health services under the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 1998

Mr. THOMAS (for himself and Mr. MCGOVERN) introduced the following bill; which was referred to the Committee on Way and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to make revisions in the per beneficiary and per visit payment limits on payment for health services under the Medicare Program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Medicare Home Health
5 Care Interim Payment System Refinement Act of 1998".

1 SEC. 2. INCREASE IN PER BENEFICIARY LIMITS AND PER
 2 VISIT PAYMENT LIMITS FOR PAYMENT FOR
 3 HOME HEALTH SERVICES UNDER THE MEDI-
 4 CARE PROGRAM.

5 (a) INCREASE IN PER BENEFICIARY LIMITS.—

6 (1) IN GENERAL.—Section 1861(v)(1)(L) of the
 7 Social Security Act (42 U.S.C. 1395x(v)(1)(L)) is
 8 amended—

9 (A) in the first sentence of clause (v), by
 10 inserting “subject to clause (viii)(I),” before
 11 “the Secretary”;

12 (B) in clause (vi)(I), by inserting “subject
 13 to clause (viii)(II)” after “fiscal year 1994”;
 14 and

15 (C) by adding at the end the following new
 16 clause:

17 “(viii)(I) In no case shall the limit imposed under
 18 clause (v) for cost reporting periods beginning during fis-
 19 cal year 1999 be less than the average of the limit other-
 20 wise imposed under such clause and the median described
 21 in clause (vi)(I) (but determined as if any reference in
 22 clause (v) to ‘98 percent’ were a reference to ‘100 per-
 23 cent’).

24 “(II) Subject to subclause (III), for cost reporting pe-
 25 riods beginning during or after fiscal year 1999, in no case
 26 shall the limit imposed under clause (vi)(I) be less than

1 the median described in such clause (determined as if any
2 reference in clause (v) to '98 percent' were a reference
3 to '100 percent'.

4 “(III) In the case of new home health agency for
5 which the first cost reporting period begins during or after
6 fiscal year 1999, with respect to such cost reporting period
7 the limitation applied under clause (vi)(I) (but only with
8 respect to such provider) shall be equal to 75 percent of
9 the median described in subclause (II) of this clause.

10 “(IV) The limits computed under subclauses (I)
11 through (III) are subject to adjustment under clause (iii)
12 to reflect variations in wages among different areas.”.

13 (2) EXCLUSION OF ADDITIONAL PART B COSTS
14 FROM DETERMINATION OF PART B MONTHLY PRE-
15 MIUM.—Section 1839 of the Social Security Act (42
16 U.S.C. 1395r) is amended—

17 (A) in subsection (a)(3), by striking “in
18 subsection (e)” and inserting “in subsections
19 (e) and (g)”, and

20 (B) by adding at the end the following new
21 subsection:

22 “(g) In estimating the benefits and administrative
23 costs which will be payable from the Federal Supple-
24 mentary Medical Insurance Trust Fund for a year for pur-
25 poses of determining the monthly premium rate under

1 subsection (a)(3), the Secretary shall exclude an estimate
 2 of any benefits and administrative costs attributable to the
 3 application of section 1861(v)(1)(L)(viii), but only to the
 4 extent payment for home health services under this title
 5 is not being made under section 1895 (relating to prospec-
 6 tive payment for home health services).”.

7 (b) REVISION OF PER VISIT LIMITS.—Section
 8 1861(v)(1)(L)(i) of such Act (42 U.S.C.
 9 1395x(v)(1)(L)(i)) is amended—

10 (1) in subclause (III), by striking “or”;

11 (2) in subclause (IV)—

12 (A) by inserting “and before October 1,
 13 1998,” after “October 1, 1997,”; and

14 (B) by striking the period at the end and
 15 inserting “, or”; and

16 (3) by adding at the end the following new sub-
 17 clause:

18 “(V) October 1, 1998, 108 percent of such me-
 19 dian.”.

20 (c) REPORTS ON SUMMARY OF RESEARCH CON-
 21 DUCTED BY THE SECRETARY ON THE SYSTEM.—By not
 22 later than January 1, 1999, the Secretary of Health and
 23 Human Services shall submit to Congress a report on the
 24 following matters:

1 (1) RESEARCH.—A description of any research
2 paid for by the Secretary on the development of a
3 prospective payment system for home health services
4 furnished under the Medicare care program under
5 title XVIII of the Social Security Act, and a sum-
6 mary of the results of such research.

7 (2) SCHEDULE FOR IMPLEMENTATION OF SYS-
8 TEM.—The Secretary's schedule for the implementa-
9 tion of the prospective payment system for home
10 health services under section 1895 of the Social Se-
11 curity Act (42 U.S.C. 1395fff).

12 (3) ALTERNATIVE TO 15 PERCENT REDUCTION
13 IN LIMITS.—The Secretary's recommendations for
14 one or more alternative means to provide for savings
15 equivalent to the savings estimated to be made by
16 the mandatory 15 percent reduction in payment lim-
17 its for such home health services for fiscal year 2000
18 under section 1895(b)(3)(A) of the Social Security
19 Act (42 U.S.C. 1395fff(b)(3)(A)), or, in the case the
20 Secretary does not establish and implement such
21 prospective payment system, under section 4603(e)
22 of the Balanced Budget Act of 1997. The Secretary
23 shall include a statement from the Chief Actuary of
24 the Health Care Financing Administration of the
25 amount of a per visit copayment that would be re-

quired to provide for such savings (based upon different caps on the aggregate amount of such copayments for any person for a year).

(c) MEDPAC REPORTS.—

(1) REVIEW OF SECRETARY'S REPORT.—Not later than 60 days after the date the Secretary of Health and Human Services submits to Congress the report under subsection (b), the Medicare Payment Advisory Commission (established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6)) shall submit to Congress a report describing the Commission's analysis of the Secretary's report, and shall include the Commission's recommendations with respect to the matters contained in such report.

(2) ANNUAL REPORT.—The Commission shall include in its annual report to Congress for June 1999 an analysis of whether changes in law made by the Balanced Budget Act of 1997, as modified by the amendments made by this section, and this section with respect to payments for home health services furnished under the Medicare program under title XVIII of the Social Security Act impede access to such services by individuals entitled to benefits under such program.

1 (d) GAO AUDIT OF RESEARCH EXPENDITURES.—
2 The Comptroller General of the United States shall con-
3 duct an audit of sums obligated or expended by the Health
4 Care Financing Administration for the research described
5 in subsection (b)(1), and of the data, reports, proposals,
6 or other information provided by such research.

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